

Purpose of the Capital Improvements Program

This section provides detailed information on the County's Capital Improvements Program (CIP). Included in this section is the description and available funding for existing capital projects that have been financed through previous bond issues, capital outlay notes, grants or the General Fund.

An effective CIP is an important tool to promote advanced planning for future needs and the means to meet them. As a planning tool, the CIP helps to ensure that land acquisitions and construction projects are coordinated and well timed to avoid unnecessary or costly duplications. Also, since the CIP is reviewed and updated on an annual basis, long-range needs can be adjusted to reflect changing circumstances or priorities.

As a financial plan, the CIP represents land acquisition and facility planning in an environment of fiscal constraint in several ways. First, projects under consideration are evaluated annually against one another to assure that only priority projects receive funding. Second, essential improvements are planned in a manner commensurate with the County's ability to pay for them. As growth continues, the CIP will help the County avoid costly crisis expenditures of dollars that could dramatically increase the tax rate. Finally, the CIP attempts to take into account not only the construction costs of completing a capital project, but also the impact on the County's operating budget in subsequent years.

The CIP Process

Each year the County updates its long-range CIP plan. As part of the CIP process, the County departments and the Department of Education are asked to review and prioritize their capital needs for the next five years. They submit CIP requests, including project justifications and cost estimates, to the Finance Division to be reviewed for cost effectiveness, affordability and demonstrated need. The approved capital outlay budget funded by the General Fund is adopted as part of the Operating Budget for the coming year. The capital improvements funded by General Obligation Bonds or Notes are formally adopted by the County Commission when the Bond Resolution is approved. The CIP is funded each year from a variety of sources including debt proceeds, County appropriations and Federal and State aid are set forth below. Since departmental needs often change over time, the CIP is considered preliminary and subject to change by the County Commission for a given fiscal year. The General Obligation Bond CIP and County General Fund expenditures, in thousands, for fiscal years 2004-2007, by activity, are as follows:

<u>DIVISION</u>	Actual 2004	Actual 2005	Available 2006	Projected 2006	Available 2007
Schools	\$15,880	\$8,494	\$ 7,808	\$3,590	\$ 4,218
General Government	15,511	20,454	18,378	6,574	13,998
Total	\$31,391	\$28,948	\$26,186	\$10,164	\$18,216

Current Capital Improvements Projects

Listed below are the uncompleted projects that have been funded by 1) General Fund appropriations for Capital Outlay from the operating budget FY 2007 2) General Obligation Bonds with no impact on the General Fund operating budget (unless otherwise indicated). Those projects funded by the General Fund, sale of land or special fees are allocated when funds are available and special needs have been established. Each project description reflects capital funds available for FY 2006, estimated expenditures for the projects during 2006 and capital funds available for the completion of the project. Any increases to total available funding for FY 2007 are a result of the FY 2007 General Fund Capital Outlay or the reallocation of current bond funds available for capital improvements. The available funding for FY 2007 projected for Hamilton County and the Department of Education is \$18.2 million.

Accounting Department

Funding Sources: Bond Funds/General Fund

The Accounting Department continues to update the office suite with new carpet, furniture, fixtures and computer equipment. The cost of the final phase of the integrated financial software package implementation is accounted for in this department.

Total Available FY2006	Estimated Obligations FY2006	Total Available FY2007
1,764,687	752,449	1,015,238

Future impact on the General Fund: Estimated \$60,000 a year for financial software service contract.

Assessor of Property

Funding Sources: Bond Funds/General Fund

The Assessor of Property is planning to replace the roof of their building. The General Fund appropriation of \$59,728 will provide for replacement computers, computer software, and vehicles.

Total Available FY2006	Estimated Obligations FY2006	Total Available FY2007
85,000	-	144,728

Future impact on the General Fund: None

County Auditor

Funding Sources: Bond Funds/General Fund

The County Auditor plans to update the office suite with new carpet, furniture, fixtures and equipment.

Total Available FY2006	Estimated Obligations FY2006	Total Available FY2007
120,678	-	125,178

Future impact on the General Fund: None

County Commission

Funding Sources: Bond Funds/General Fund

The County Board of Commission plans to install a computer network and update office machines and software.

Total Available FY2006	Estimated Obligations FY2006	Total Available FY2007
40,000	-	44,500

Future impact on the General Fund: None

Courthouse Renovations

Funding Sources: Bond Funds

The Courthouse renovations began in the FY 2002 budget year. The funding provides for updated communication technology facilities along with renovation of the existing structure and furnishings.

Total Available FY2006	Estimated Obligations FY2006	Total Available FY2007
3,696,072	2,159,095	1,536,977

Future impact on the General Fund: None

Criminal Court Clerk

Funding Sources: Bond Funds/General Fund

The Criminal Court Clerk plans to update the office suite with new carpet and tile. The General Fund appropriation will provide funding for replacement computers and printers.

Total Available FY2006	Estimated Obligations FY2006	Total Available FY2007
316,400	236,984	86,166

Future impact on the General Fund: None

Custodial/Security Service

Funding Sources: Bond Fund

This activity includes updating and modernizing all County elevators to state code.

Total Available FY2006	Estimated Obligations FY2006	Total Available FY2007
370,000	-	370,000

Future impact on the General Fund: None

Election Commission

Funding Sources: Bond Funds/General Fund

The Election Commission completed construction of a new building in FY 2006. The remaining funds will be used for replacement office furniture and equipment.

Total Available FY2006	Estimated Obligations FY2006	Total Available FY2007
1,205,000	1,200,000	5,000

Future impact on the General Fund: Increase in utility cost projected a \$10,000 a year.

Engineering

Funding Sources: Bond Funds/General Fund

Included in this capital improvement activity is Engineering's projected cost of roadway construction and drainage construction. The General Fund appropriation includes funding for three replacement vehicles.

Total Available FY2006	Estimated Obligations FY2006	Total Available FY2007
527,764	1,082	586,382

Future impact on the General Fund: None

Geographic Information Systems

Funding Sources: Bond Fund/General Fund

The General Fund appropriation includes funding for AutoCAD computer software and CPU's.

Total Available FY2006	Estimated Obligations FY2006	Total Available FY2007
38,710	-	56,710

Future impact on the General Fund: \$18,000

Highway Department

Funding Sources: Bond Funds/General Fund

This activity provides funding for the replacement of heavy equipment used in road construction and maintenance. The General Fund appropriation includes funding for two replacement pickup trucks.

Total Available FY2006	Estimated Obligations FY2006	Total Available FY2007
404,716	72,380	469,336

Future impact on the General Fund: Not Available

Industrial Development Projects

Fund Source: Bond Funds/General Fund

The Industrial Development Projects include funding for the purpose of developing land to encourage commercial, industrial and manufacturing enterprises to locate within the boundaries of Hamilton County. The General Fund appropriation includes funds for a tractor, bush hog, and for tractor attachments.

Total Available FY2006	Estimated Obligations FY2006	Total Available FY2007
5,650,661	1,728,869	3,921,792

Future impact on the General Fund: None

Information Technology Services Projects:

Funding Source: Bond Funds/General Fund

The County's ITS Department bond fund appropriation is for an alternative data site and remodeling. The General Fund appropriation includes servers and service upgrades.

Total Available FY2006	Estimated Obligations FY2006	Total Available FY2007
175,000	-	208,000

Future impact on the General Fund: None

Juvenile Court

Funding Source: Bond Funds/General Fund
Juvenile Court plans to use these funds for mold remediation, provide a new roof for their building, and remodel the office suite. The General Fund appropriation will be used to resurface the parking lot and for a vehicle.

Total Available FY2006	Estimated Obligations FY2006	Total Available FY2007
56,355	7,196	89,159

Future impact on the General Fund: None

Maintenance Projects

Funding Sources: Bond Funds/General Fund
This activity provides for jail entry doors upgrade and for heating and air between the Justice Building and the Courthouse.

Total Available FY2006	Estimated Obligations FY2006	Total Available FY2007
41,836	14,331	27,505

Future impact on the General Fund: Not Available

Miscellaneous Projects

Funding Sources: Bond Funds/General Fund
The County has several smaller projects that are consolidated under this category. Also included in this activity is the administration expense of the bond funds. The General Fund appropriation includes capital outlay in the amount of \$1,785,709.

Total Available FY2006	Estimated Obligations FY2006	Total Available FY2007
2,021,767	119,329	3,621,547

Future impact on the General Fund: None

Newell Tower HVAC

Fund Source: Bond Funds
Funding for a new HVAC system in the Newell Towers is provided for in this activity.

Total Available FY2006	Estimated Obligations FY2006	Total Available FY2007
476,035	17,800	458,235

Future impact on the General Fund: Not Available

Recreation Projects

Funding Sources: Bond Funds/General Fund
The Recreation Department is responsible for developing additional recreational facilities. The General Fund appropriation will provide funding for replacement riding mowers.

Total Available FY2006	Estimated Obligations FY2006	Total Available FY2007
1,284,947	195,072	1,142,375

Future impact on the General Fund: None

Recycling Project

Funding Sources: Bond Funds/General Fund
The Recycling Department is scheduled to complete an additional recycling center in FY 06. The site will require roadway construction and prep site construction.

Total Available FY2006	Estimated Obligations FY2006	Total Available FY2007
98,808	69,098	29,710

Future impact on the General Fund: Not Available

Riverpark Projects

Funding Sources: Bond Funds/General Fund
The General Fund provides for lawn mowers, a replacement vehicle, and a power chipper.

Total Available FY2006	Estimated Obligations FY2006	Total Available FY2007
3,479	-	59,979

Future impact on the General Fund: None

Schools

Funding Source: Bond Funds
The appropriations for schools is for the purchase of land, construction and capital maintenance and repairs for the Hamilton County Schools.

Total Available FY2006	Estimated Obligations FY2006	Total Available FY2007
7,808,329	3,590,497	4,217,832

Future impact on the General Fund: None, cost of maintenance for schools is the responsibility of the DOE.